

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF NORTH CAROLINA
CHARLOTTE DIVISION
DOCKET NO. 3:21-cv-00522-FDW-DSC

SENECA INSURANCE COMPANY INC.,

Plaintiff,

VS.

HARRIS HOSPITALITY GROUP, LLC
and DAUD & DAUGHTER, LLC,

Defendants.

ORDER FOR DECLARATORY JUDGMENT

THIS MATTER came before this Court for a jury trial on September 19, 21, and 22, 2022. Plaintiff Seneca Insurance Company Inc. commenced this declaratory judgment action seeking a determination that it did not owe coverage for an insurance claim made by Defendants. (Doc. No. 1). Defendants Harris Hospitality Group, LLC and Daud & Daughter, LLC filed counterclaims against Plaintiff for declaratory judgment and breach of contract, seeking a determination that Plaintiff owed coverage for this claim. (Doc. No. 6).

The jury returned a verdict on September 22, 2022. (Doc. No. 33). It found that other than the five tiles that showed historical wind damage, Defendants' hotel: (1) did not "sustain direct physical loss or damage caused by or resulting from wind or hail on or about July 18, 2020"; and (2) did not "sustain direct physical loss or damage caused by or resulting from wind or hail on or about July 18, 2020, that allowed rain to enter and damage the hotel's interior." *Id.*

ORDER FOR DECLARATORY JUDGMENT

Therefore, based on the jury's verdict, Plaintiff's request for declaratory relief is hereby GRANTED. Specifically, this Court hereby DECLARES the following:

1. Defendants' property did not sustain direct physical loss resulting from a covered cause of loss on or about July 18, 2020. Therefore, no coverage is available under the policy for any damage to Defendants' property that is alleged as a part of Defendants' underlying insurance claim under Causes of Loss – Special Form (CP 10 30 10 12) A. Covered Causes Of Loss, and C. Limitations. (Doc. No. 1, Ex. A, at 56–61).
2. Plaintiff owes no coverage obligation to Defendants for the property damage that is the subject of Defendants' underlying insurance claim.
3. Defendants' counterclaim for declaratory judgment and breach of contract is DISMISSED WITH PREJUDICE.

The Court respectfully requests the Clerk of Court enter final judgment declaring that Plaintiff's insurance policy, Causes of Loss – Special Form (CP 10 30 10 12) A. Covered Causes Of Loss, and C. Limitations, does not afford coverage to Defendants for the underlying Insurance Claim and CLOSE this case.

IT IS SO ORDERED, ADJUDGED, AND DECLARED.



Frank D. Whitney
United States District Judge

